



| Written Submission

Written Submission from NUS-USI on Welfare Reform Bill to the Social Development Committee

(National Union of Students and the Union of Students in Ireland)

Information on NUS-USI

NUS-USI student movement represents the interests of students in Northern Ireland and campaigns on their behalf in many different fields such as student hardship, health, prejudice and accommodation. We also provide an infrastructure that helps individual Students' Unions in the North of Ireland to develop their own work through our research, training and development functions.

Introduction

It will be extremely important to consider the impact of any welfare reform changes on students. Whilst, in the absence of reliable statistics, it is virtually impossible to say with certainty how many students claim one or more of the benefits that would be subsumed into the Universal Credit, the consequences for those that do are likely to be far-reaching.

We would like to receive assurances from the Department that there is no policy intention to exclude any student groups able to access support at present, as we are concerned that such exclusion may arise due to unintended consequences of certain decisions.

Aside from the significant reservations we have in relation to the Welfare Reform Bill, NUS-USI would however like to take this opportunity welcome any changes which might be made by politicians here which could facilitate easier and better means of distribution of welfare measures than those originally set out in the reforms made by Westminster.

As the committee will be aware, full-time students were largely excluded from means-tested benefits in the late 1980s, but certain vulnerable groups – predominantly students with children and students with disabilities – still have some access to key benefits in certain circumstances and this can be vital income. Moreover, the increasing population undertaking part-time study or distance learning can be supported by benefits during study. For example, child tax credits play an important role in helping the students who are eligible to receive them.

Students who can claim do of course represent something of an anomaly in benefits policy: whilst they are usually of working age and have at least some capability to work, their study requirements, especially for full-time students, mean that they may not be available for work or able to undertake work-related activity.

Previous, more incremental, changes to benefits regulations have often resulted in a particular impact on students – for example, the withdrawal of income support entitlement for lone parents with older children, which saw some students who were lone parent lose benefit support as they could not claim JSA as a replacement.

The impact of welfare reform on students

The complexities of the rules around student eligibility, and the treatment of student income – made more complex still by the regular changes to the student support structure and the devolution of such policy, makes it extremely difficult for student claimants to understand what they can receive, and can result in the wrong information being issued by benefits offices, or potentially the wrong decisions being taken.

It is our aim to extend benefit support to students, particularly around housing and reforms to create universal credit offers does not do this. The reforms offer opportunity to simplify rules relating to welfare and we would like to see steps being taken to make easier for all concerned to understand student entitlement, without reducing the limited support available in the current system for those students who can claim.

Education will improve the skills and employment prospects of our citizens, and though this is not the only reason a person should look to undertake further or higher education, we believe that this legislation must recognise and support people who are involved in education and should not diminish the support within the welfare system which is available to students at present.

A potential illustration of concerns over benefits and eligibility as regards the system is that 271 enquiries were made as regards benefits alone the Queen's University Students' Union Advice Centre as in the 2011/12 academic year.

Viewing this as a representation of concerns about the present system, one could speculate that significantly more students will face difficulties with benefits in the future, if the reforms as outlined are implemented.

We wish to highlight the issues arising in relation to student eligibility for universal credit, then the treatment of student income, and finally some further comments on the broader changes being made.

Eligibility

Definition of 'qualifying young person' (part 1 chapter 1, section 10)

One of the areas where NUS-USI has massive concerns and where we would seek reassurances is in relation to the need to maintain eligibility on the same lines as current regulation as regards the definition of a 'qualifying young person'.

If similar measures are implemented here as are potentially being implemented by the Westminster government, eligibility amongst young people could be very negatively impacted upon.

It would seem self-evident that the more that can be done to allow a young person to complete a course, the more likely they are to be able to secure employment and therefore they are less likely to claim further benefit entitlement as an adult. We therefore strongly recommend that any definition of a qualifying young person allows people to complete courses and does not exclude any student who is currently entitled to receive benefits.

Meaning of receiving education (part 1, chapter 1, section 4)

We would like to seek clarification as to whether the intention of these measures is to move away from set definitions of full and part-time courses, partly to reflect the flexibility of modern study patterns. We would support any moves to do so, although much would depend on the guidance provided in relation to this and how decision makers choose to interpret any legislation. There is an opportunity to allow for slightly more intensive evening courses, for example, that would not interfere with availability for work.

We would however not wish for this regulation to be used to exclude part-time students who can currently access benefits from doing so by allowing decision-makers to use courses of very few hours as reasons to refuse entitlement.

Limit to housing costs payments

We have significant concerns in relation to the impact of changes to housing benefit for people under 35. NUS-USI believes that changes like those outlined in the Westminster reforms could result in extreme difficulty for many people and does not meet the need for equality of provision for all.

We would be keen to ensure that it is made clear that claimants who are students would not see a break in their housing costs payment after two years, as this would not be enough to support those students who can claim through many undergraduate courses.

Students with disabilities

NUS-USI has very significant concerns about the impact of the Welfare Reform Bill upon students with disabilities. According to statistics from HESA in 2010/11 3,025 people enrolling at HE institutions in Northern Ireland had disabilities, and that illustrates the scale of the impact that any changes might have.

Child tax credit and support for children

Students with children are some of the most vulnerable learners and this support is crucial to their income and their ability to provide for their families. We would therefore seek assurances as to how this support will transfer to the new universal credit system and that no parent will be worse off under the new arrangements than they would be under the current system. Figures from HESA show that in 2010/11, 4,340 people enrolling at HE institutions in Northern Ireland had young people or child dependents, and this emphasises the importance of maintaining the current levels of support available with regard to welfare.

Treatment of student income

As we have mentioned above, it is extremely important that clarity is provided as to the treatment of student income and we believe that it is essential that assurances are provided that this bill will not disadvantage students.

We would therefore been keen to ensure that the same general principles in the current legislation remain: that grants, loans and other funding for specific purposes (tuition fees, course costs, childcare etc) should be disregarded, along with a suitable proportion of any general payment intended to support students in lieu of books, equipment and travel.

Students with self-employed partners

We also have concerns that any assumption that self-employed workers will have an income equivalent to at least the National Minimum Wage (NMW) may penalise families where the partner of a full-time student claims.

Other comments

Economic context

The current economic situation is extremely bleak for many young people, with youth unemployment current at around 24%. We want politicians and the media to ensure that the utmost sensitivity and understanding is demonstrated on this issue, and that support and protection for those in need is provided through this process of welfare reform.

Universal credit must be a safety net for young people and other citizens, and it is neither fair nor helpful for anyone to infer young people are to blame if they are unable to get into the workplace in the current climate. NUS-USI urges the committee to recommend a positive and open attitude from the Department and also benefits offices to ensure the highest possible standard of assistance for everyone who depends on welfare.

A strong and positive social security system is the hallmark of civilized society and it should be enabling rather than draconian.

Welfare for under-25s

We are opposed to the lower rates of universal credit for under-25s, especially any assertion that those aged under 25 have lower costs and lower wage expectations. This would be an incorrect and unfair generalisation. Support through universal credit should be based on need, rather than an arbitrary cut-off point that reinforces negative perceptions of young people and could push young people into unnecessary poverty.

Cap on benefits and student parents

We have very significant concerns about any proposals to cap benefit entitlements. Any cap on total benefit entitlement may impact on some of our members with larger families, who do not meet the criteria for any exclusion to such a measure.

If a cap is introduced, we would recommend that when the detail of student status in relation to welfare is developed, this counts as an exception to any cap on benefits.

Printable documentation

Finally, we would urge the committee to recommend that the department ensures all online documentation is printable, giving claimant details, the period of entitlement and the breakdown of the universal credit elements, because many students need such information in claims for student support.

Conclusion

Students are an important subset of benefits claimants and their needs should be met as far as is possible.

The lack of detail in regard to student claims in the bill is concerning and we are worried that students might end up as an after-thought in the process. We therefore are keen to receive clarification and further detail on student-related regulations.

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